Amendments to the Specification

Please replace the paragraph beginning on page 1, line 22,
with the following amended paragraph:

In ~~generally~~ general, the loan process requires the
construction company to supply information related to the
construction project. This information is supplied by filing a
copious amount of paperwork detailing the specifics of the
construction project with the financial information. Many times,
redundant paperwork needs to be filed and re-filed. For example,
if construction project information that was supplied is
incorrect or needs to be updated, additional paperwork needs to
be filed and re-filed to properly state the information. This
filing and refilling of paperwork is very cumbersome and time
consuming.

Please replace the paragraph beginning on page 3, line 3,
with the following amended paragraph:

It is still another object of the present invention to
provide an improved system and method for the application and
payment of construction loans between a lender and the builder
that will ~~provided~~ provide a standardized database which all
lenders may use for loan draws on construction projects.

Please replace the paragraph beginning on page 3, line 21,
with the following amended paragraph:

In accordance with one embodiment of the present invention a
loan application and payment system for lenders and builders is
disclosed. The method comprises the steps of: establishing an

electronic database on a host server by a lender; obtaining
credit approval by a builder from the lender; sending an account
number and a password by the lender to the builder when the
builder ~~has ben approved~~ has been approved for credit; accessing
a construction project account in the electronic database by
entering the account number and the password; entering and
submitting electronically information related to the construction
project; determination of approval of construction loan by the
lender based on the information related to the construction
project; applying for an application for payment if the
construction loan is approved; and transferring monetary funds to
the builder after application for payment is submitted and
approved.

**Please replace the paragraph beginning on page 6, line 19,
with the following amended paragraph:**

Once the builder has selected a particular state and a
particular lender to deal with, the builder will enter the
information and will be ~~transfer~~ transferred to a lender's credit
application web page. The lender's credit application web page
may be similar to that shown in Figure 3 and will contain a
lender's credit application form. The builder must completely
fill out the lender's electronic application form. The
information on the lender's electronic application form would
include the builder's name, address, telephone number, contractor
license number, the state where the contractor is registered, the
expiration date of the license, the builder's bank and
account/checking number, and other similar information. The
builder would further include insurance information. For
example, the insurance information would include the insurance
company, policy number and expiration date for a general
liability policy, workman's compensation policy, automobile

policy, and others of a like nature. The information is similar to that shown in Figure 7. The completed form is then submitted electronically to the database system.

Please replace the paragraph beginning on page 7, line 12, with the following amended paragraph:

If the selected lender accepts the application, the lender would then notify the builder of the ~~account number and password~~ <u>user name 10 and password 12</u>. The lender may notify the builder by any secure means. For example, the lender may send an encrypted electronic message (email) to the builder, send the ~~account number and password~~ <u>user name 10 and password 12</u> by certified or regular mail, or any similar means.

Please replace the paragraph beginning on page 7, line 18, with the following amended paragraph:

When the builder receives the ~~account number and password~~ <u>user name 10 and password 12</u>, the builder may then access the database system. The ~~lender~~ <u>builder</u> would go to the home web page as shown on Figure 1. The builder would then log onto the database using the ~~account information~~ <u>user name</u> 10 and password 12 supplied by the lender. Once the builder enters the information, the builder will be sent to a financial institution web page of the lender <u>with whom</u> the builder is dealing ~~with~~. The financial institution web page may take the form as shown in Figure 4. The lender will ask the builder if the builder wants to access an existing project or to submit for approval a new construction project. If the builder is requesting an approval for a new construction project, the builder will have to submit additional information related to the new construction project. The builder will enter information related to the "breakdown of

costs" and project information. This information will include the location of the project (i.e., address, subdivision, lot number), the accessor's parcel number, sales tax rate, and course of construction insurance company, policy number and expiration date. This information is summarized in Figure 10. The builder will further submit information related to the owner of the construction project. This information will generally include the name, address, telephone number, and similar information related to the owner. This information is summarized in Figure 9.

Please replace the paragraph beginning on page 8, line 16, with the following amended paragraph:

The builder will also enter payment ~~instruction~~ <u>instructions</u>. In other words, the builder must inform the lender how the builder wishes to receive any money from the lender if the construction loan is approved. The builder may receive payment in several different manners. For example, the lender may wire transfer the appropriate funds, mail a check, or write a check and hold the check for pick up by someone authorized by the builder. The builder will generally fill in information similar to that shown in Figure 5 for payment. The lender's web page will have questions such as: wire transfer (yes/no), hold check for pick up (yes/no), and mail check (yes/no). If a wire transfer is requested, the builder will have to supply information for the wire transfer such as the bank's name, address, account name, account number, and like information.

Please replace the paragraph beginning on page 11, line 7, with the following amended paragraph:

Once this information is inputted, the electronic application would calculate the difference between the budget amount and the actual cost. If there is an excess, the electronic application will then ask the builder if the excess should be applied to the "contingency/change order" line item on the electronic application. If there is a ~~deficient~~ deficit, this ~~amount is be~~ amount is to be automatically deducted from the "contingency/change order" budget amount. If the "contingency/change order" line item becomes depleted ~~of it~~ ~~budget~~ of its budget amount through change orders or work items/trade deficiencies, then the amount to be distributed to the builder on the requested application for payment is reduced by the difference between the original approved budget amount and the change orders or work items/trade deficiencies.

Please replace the paragraph beginning on page 11, line 20, with the following amended paragraph:

To apply for the draw/payment, the builder would access the application for payment web page by clicking on the link shown in Figure 4. The builder would then be sent to the appropriate web page similar to that shown in Figure 5. The builder would select whether payment is for an existing project or for a new project. The builder would then be sent to an application for payment form. The application for payment form is similar to that shown in Figure 6. The builder would input the draw amount for each work item/trade and follow the guidelines established by the lender. A worksheet may be printed to aid the builder with the input information. The electronic application form will make sure that any information that was not entered (i.e., all the

information required like that shown in Figure 9, Figure 10, and Figure 11) is entered before accepting the initial draw request.

Please replace the paragraph beginning on page 12, line 17, with the following amended paragraph:

It should be noted that at any time during ~~th application~~ the application process, the builder may print out copies of the electronic application and/or the draw request. The "hard copies" may be kept by the builder for a file history. A history of the electronic application may also be stored in the host server.

Please replace the paragraph beginning on page 12, line 22, with the following amended paragraph:

Once the draw request is submitted to the lender, the lender will process the request. ~~Process~~ Processing of the request may include an inspection of the project. If the request is approved, the lender will then fund the draw ~~though~~ through check, wire transfer or other appropriate means. If the draw is not approved, the lender will notify the builder. The lender would then inform the builder that the builder should resubmit the request.

Please replace the paragraph beginning on page 6, line 19, with the following amended paragraph:

The above system and method would allow the lender to access and/or receive a ~~multiple~~ multiplicity of different reports. For example, the lender could access or receive reports of each project history, a report for a summary of project history, a report summary by day of all projects, a report summary by week

of all projects, a report summary by month of all projects, and any other similar report. Customization of reports to fit the ~~lenders~~ lender's requirements may be done as required by the lender.

Please replace the paragraph beginning on page 13, line 12, with the following amended paragraph:

Once a certain part of the construction project is completed, the builder would get at least two copies of each waiver of lien/contractor affidavit form from each contractor, supplier, or contract laborer in the work item/trade that a draw is being requested for. The builder would then forward the properly signed waiver of lien/contractor affidavit from to the lender (i.e., fax, mail, etc.) for the previous draw request prior to receiving funding for the current draw request. The builder would also forward a waiver of lien/contractor affidavit ~~checklist that to~~ checklist to the lender with the waiver of lien/contractor affidavits.